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**Statement on**

**HB 6781**

**AN ACT ADDRESSING**  
**HOUSING AFFORDABILITY FOR RESIDENTS IN THE STATE**  
**SUPPORT AND OPPOSE CERTAIN SECTIONS**

**Submitted to the Housing Committee**

**By Connecticut REALTORS®**

**February 28, 2023**

Connecticut REALTORS® (CTR) submits testimony related to **HB 6781, AN ACT ADDRESSING HOUSING AFFORDABILITY FOR RESIDENTS IN THE STATE**. CTR represents over 20,000 members involved in all aspects of real estate in Connecticut. CTR members work with tens of thousands of buyers, sellers, landlords and tenants annually.

**HB 6781** stated purpose is to improve the access to adequate housing for all residents of the state. CTR shares this goal and support sections of the proposal but opposes others.

Section 1, 7 (a) (Support) the option to have a property owner not subject to a fine when a safety or sanitary hazard was created by the tenant. However, the proposed language indicates “willful” and often the damage can be accidental such as breaking a window or damage caused by a pet.

Section 4 (Oppose) relates to limitations on tenant screening. It is unreasonable to believe a tenant who does not get a unit will then pay for the report after it has been conducted.

Any legitimate administrative cost that cannot be charged in advance that is directly related to the cost for acquiring tenants must come from somewhere. The most likely source will be increased monthly rental costs. If the goal of the proposal is to maintain rental costs, this proposal does not achieve its objective. This proposal will result in higher rents as the costs associated with screening all tenants will become the burden of the individual or family who ultimately renting that unit.

If tenants cannot be vetted, they are less likely to be considered unless they have excellent credit and background. Unfortunately, the proposal is likely to have the opposite effect of what is intended.

Section 5 (Oppose) removes lapse of time as a reason for an eviction. There needs to be sanctity to any legal contract. In real estate, there is a beginning and an end to a contractual term. If a property owner does not want to renew a contract at the end of the term, state law should not require a contract continuation. If a tenant wishes to establish a contractual relationship longer than what is offered, then a discussion with the landlord should occur at the start of the contract, or the tenant should not rent if they are not willing to accept and abide by the terms of the lease agreement, including length of time.

Leases are negotiable documents at the time they are written, not after they are agreed upon. If a tenant reasons they may need or want to extend their lease beyond the proposed termination date, they can add an option in the lease at the time the lease is being created to allow for that option. The main point is these arrangements should be mutually agreed upon between the parties and have a final end date – it's a contract.

Section 24 (Concern) while strongly supporting affirmatively furthering fair housing, the fair housing laws themselves do not permit any housing provider or owner to have any preference in consideration of sale or rent based on any protected class including race. Municipalities may be held accountable when a statistical goal is not met when it would not even be lawful to have such characteristics considered or preferred to meet such statistical goal.

Section 25 (Support) a task force to study sewage capacity.

Section 26, 6 (h) (Support) counting non-deed restricted middle-housing units in the 8-30g counts. It is crucial to encourage and have more housing types in municipalities. This action is a step in the right direction towards encouraging construction of units that are affordable to those who wish to own and rent.

Section 28 (Concern) It is currently legally required for housing providers to accept vouchers under state fair housing laws. If the issue is there are not enough units to meet the needs of many renters including voucher holders then proposed restrictions on landlords should be rethought. These potential impediments stop property owners from considering using an available unit as a rental due to the possible legal liability, increased financial risk and an inability to remove a tenant at the end of a lease agreement.

Section 29 (Support) requires a study on improved efficiencies in the voucher application process. CTR strongly supports this long overdue action which could be a huge step forward in assisting voucher holders. CTR would be pleased to provide input, financial assistance and/or pilot program towards accomplishing this goal.

Section 30 (Support) requires identifying how to use rental assistance in privately owned homes and requires spending allocated funds annually. It is a positive step to have any rental unit an option for a voucher holder. But please note: Many privately owned properties in Connecticut are small landlords who may instead choose to sell their property or no longer rent due to the financial risks and liabilities that continue to increase with being a landlord.

Section 31 (Support) provides relief funds for landlords who are delayed in getting a voucher applicant into a unit due to the multi-step and lengthy process often involved with a prospective renter using a voucher. This section is another very positive step forward in addressing the difficulties with the voucher process itself.

Section 32 (Strongly Oppose) provides for a new buyer conveyance tax on business entity purchasers (not sole proprietors or LLC) for the purpose of a housing trust. CTR strongly opposes all new or expanded conveyance taxes for any purpose.

CTR would be willing to discuss further specifics of the bill with the members at your convenience. Thank you for your consideration of our concerns related to the proposed legislation before your committee today.